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8 Attorneys for Defendant MONOPOLY TEXTILE, INC.

9 UNITED STATES DISTRICT COURT

10 CENTRAL DISTRICT OF CALIFORNIA

11 MATRIX INTERNATIONAL  
12 TEXTILE, INC., a California  
13 Corporation,

14 Plaintiff,

15 v.

16 MONOPOLY TEXTILE, INC., a  
17 California Corporation; and DOES 1  
18 through 10,

19 Defendants.

**Case No.: 16-CV-00084-FMO-AJWx**

**DISCOVERY MATTER**

**HON. ANDREW J. WISTRICH**

**[PROPOSED] PROTECTIVE ORDER**

**[Stipulation of Parties re Protective  
Order Concurrently Filed Herewith]**

20 1. PURPOSES AND LIMITATIONS

21 Disclosure and discovery activity in this action are likely to involve  
22 production of confidential, proprietary, or private information for which special  
23 protection from public disclosure and from use for any purpose other than  
24 prosecuting this matter would be warranted. Accordingly, the parties hereby  
25 stipulate to and petition this Court to enter the following Stipulated Protective  
26 Order. The parties acknowledge that this Order does not confer blanket protections  
27 on all disclosures or responses to discovery and that the protection it affords  
28 extends only to the limited information or items that are entitled under the

1 applicable legal principles to treatment as confidential. The parties have agreed  
 2 that the terms of this Protective Order shall also apply to any future voluntary  
 3 disclosures of confidential, proprietary, or private information. The parties reserve  
 4 their rights to object to or withhold any information, including confidential,  
 5 proprietary, or private information, on any other applicable grounds permitted by  
 6 law, including third-party rights and relevancy.

## 7 8 2. DEFINITIONS

9 2.1 Party: any party to this action, including all of its officers, directors,  
 10 employees, consultants, retained experts, and outside counsel (and their support  
 11 staff).

12 2.2 Disclosure or Discovery Material: all items or information, regardless  
 13 of the medium or manner generated, stored, or maintained (including, among other  
 14 things, testimony, transcripts, or tangible things), that are produced or generated in  
 15 disclosures or responses to discovery in this matter.

16 2.3 “Confidential” Information or Items: information (regardless of how  
 17 generated, stored, or maintained) or tangible things that qualify for protection  
 18 under standards developed under Fed. R. Civ. P. 26(c).

19 2.4 “Attorneys’ Eyes Only”: Discovery Material or such portion of such  
 20 material as consists of:

21 a) any commercially sensitive and/or confidential business or financial  
 22 information (including without limitation confidential nonpublic contracts,  
 23 profitability reports or estimates, sales reports, and sales margins) which could  
 24 reasonably create a competitive disadvantage if disclosed to the parties in this  
 25 action;

26 b) any business or financial information that is confidential, proprietary, or  
 27 commercially sensitive to third parties who have had business dealings with parties  
 28 to this action; or

c) any other category of material or information hereinafter given Confidential status by the Court, to the extent said material could reasonably create a competitive disadvantage if disclosed to the parties in this action.

2.5 Receiving Party: a Party that receives Disclosure or Discovery Material from a Producing Party.

2.6 Producing Party: a Party or non-party that produces Disclosure or Discovery Material in this action.

2.7 Designating Party: a Party or non-party that designates information or items that it produces in disclosures or in responses to discovery as “CONFIDENTIAL” or “ATTORNEYS’ EYES ONLY.”

2.8 Protected Material: any Disclosure or Discovery Material that is designated as “CONFIDENTIAL” or “ATTORNEYS’ EYES ONLY.”

2.9 Expert: a person with specialized knowledge or experience in a matter pertinent to the litigation who has been retained by a Party or its counsel to serve as an expert witness or as a consultant in this action. This definition includes a professional jury or trial consultant retained in connection with this litigation. The expert witness or consultant may not be a past or a current employee of the Party (including any affiliates or related entities) adverse to the Party engaging the expert witness or consultant, or someone who at the time of retention is anticipated to become an employee of the Party (including any affiliates or related entities) adverse to the Party engaging the expert witness or consultant. Moreover, the expert witness or consultant may not be a current employee or anticipated to become an employee of any entity who is a competitor of the Party adverse to the Party engaging the expert witness or consultant.

2.10 Professional Vendors: persons or entities that provide litigation support services (e.g., photocopying; videotaping; translating; preparing exhibits or demonstrations; organizing, storing, or retrieving data in any form or medium; etc.) and their employees and subcontractors.

1 3. SCOPE

2 The protections conferred by this Stipulation and Order cover not only  
3 Protected Material (as defined above), but also any information copied or extracted  
4 therefrom, as well as all copies, excerpts, summaries, or compilations thereof, plus  
5 testimony, conversations, or presentations by parties or counsel to or in litigation  
6 or in other settings that might reveal Protected Material.

7  
8 4. DURATION

9 Even after the termination of this action, the confidentiality obligations  
10 imposed by this Order shall remain in effect until a Designating Party agrees  
11 otherwise in writing or a court order otherwise directs.

12  
13 5. DESIGNATING PROTECTED MATERIAL

14 5.1 Exercise of Restraint and Care in Designating Material for Protection.  
15 Each Party or non-party that designates information or items for protection under  
16 this Order must take care to limit any such designation to specific material that  
17 qualifies under the appropriate standards. A Designating Party must take care to  
18 designate for protection only those parts of material, documents, items, or oral or  
19 written communications that qualify – so that other portions of the material,  
20 documents, items, or communications for which protection is not warranted are not  
21 swept unjustifiably within the ambit of this Order.

22 Mass, indiscriminate, or routinized designations are prohibited. Designations that  
23 are shown to be clearly unjustified, or that have been made for an improper  
24 purpose (e.g., to unnecessarily encumber or retard the case development process,  
25 or to impose unnecessary expenses and burdens on other parties), expose the  
26 Designating Party to sanctions.

27 If it comes to a Party's or a non-party's attention that information or items  
28 that it designated for protection do not qualify for protection at all, or do not

1 qualify for the level of protection initially asserted, that Party or non-party must  
2 promptly notify all other parties that it is withdrawing the mistaken designation.

3 5.2 Manner and Timing of Designations. Except as otherwise provided in this  
4 Order (see, e.g., second paragraph of section 5.2(a), below), or as otherwise  
5 stipulated or ordered, material that qualifies for protection under this Order must be  
6 clearly so designated before the material is disclosed or produced.

7 Designation in conformity with this Order requires:

8 (a) for information in documentary form (apart from transcripts of depositions  
9 or other pretrial or trial proceedings), that the Producing Party affix the legend  
10 “CONFIDENTIAL” or “ATTORNEYS’ EYES ONLY” at the top or bottom of  
11 each page that contains protected material.

12 A Party or non-party that makes originals or copies of documents or materials  
13 available for inspection need not designate them for protection until after the  
14 inspecting Party has indicated which material it intends to copy. During the  
15 inspection and before the designation, all of the material made available for  
16 inspection shall be deemed “ATTORNEYS’ EYES ONLY.” After the inspecting  
17 Party has identified the documents it wants copied and produced, the Producing  
18 Party must designate, either in writing or on the record (at a deposition), which  
19 documents, or portions thereof, qualify for protection under this Order. Then the  
20 Receiving Party must affix the “CONFIDENTIAL” or “ATTORNEYS’ EYES  
21 ONLY” legend at the top of each copied page that contains Protected Material. If  
22 only a portion or portions of the material on a page qualifies for protection, the  
23 Producing Party also must clearly identify the protected portion(s) (e.g., by making  
24 appropriate markings in the margins) and must specify, for each portion, the level  
25 of protection being asserted (either “CONFIDENTIAL” or “ATTORNEYS’ EYES  
26 ONLY”).

27 (b) for testimony given in deposition or in other pretrial or trial proceedings, that  
28 the Party or non-party offering or sponsoring the testimony identify on the record,

1 before the close of the deposition, hearing, or other proceeding, all protected  
2 testimony, and further specify any portions of the testimony that qualify as  
3 “CONFIDENTIAL” or “ATTORNEYS’ EYES ONLY.” When it is impractical to  
4 identify separately each portion of testimony that is entitled to protection, and  
5 when it appears that substantial portions of the testimony may qualify for  
6 protection, the Party or non-party that sponsors, offers, or gives the testimony may  
7 invoke on the record (before the deposition or proceeding is concluded) a right to  
8 have up to 20 days to identify the specific portions of the testimony as to which  
9 protection is sought and to specify the level of protection being asserted  
10 (“CONFIDENTIAL” or “ATTORNEYS’ EYES ONLY”). Only those portions of  
11 the testimony that are appropriately designated for protection within the 20 days  
12 shall be covered by the provisions of this Stipulated Protective Order.

13 Transcript pages containing Protected Material must be separately bound by the  
14 court reporter, who must affix to the top of each such page the legend  
15 “CONFIDENTIAL” or “ATTORNEYS’ EYES ONLY,” as instructed by the Party  
16 or non-party offering or sponsoring the witness or presenting the testimony.

17 (c) for information produced in some form other than documentary, and for any  
18 other tangible items, that the Producing Party affix in a prominent place on the  
19 exterior of the container or containers in which the information or item is stored  
20 the legend “CONFIDENTIAL” or “ATTORNEYS’ EYES ONLY.” If only  
21 portions of the information or item warrant protection, the Producing Party, to the  
22 extent practicable, shall identify the protected portions, specifying whether they  
23 qualify as “CONFIDENTIAL” or as “ATTORNEYS’ EYES  
24 ONLY.”

25 5.3 Inadvertent Failures to Designate. If timely corrected, an inadvertent failure  
26 to designate qualified information or items as “CONFIDENTIAL” or  
27 “ATTORNEYS’ EYES ONLY” does not, standing alone, waive the Designating  
28 Party’s right to secure protection under this Order for such material. If material is

1 appropriately designated as “CONFIDENTIAL” or “ATTORNEYS’ EYES  
2 ONLY” after the material was initially produced, the Receiving Party, on timely  
3 notification of the designation, must make reasonable efforts to assure that the  
4 material is treated in accordance with the provisions of this Order.

## 6 6. CHALLENGING CONFIDENTIALITY DESIGNATIONS

7 6.1 Timing of Challenges. Unless a prompt challenge to a Designating Party’s  
8 confidentiality designation is necessary to avoid foreseeable substantial unfairness,  
9 unnecessary economic burdens, or a later significant disruption or delay of the  
10 litigation, a Party does not waive its right to challenge a confidentiality designation  
11 by electing not to mount a challenge promptly after the original designation is  
12 disclosed.

13 6.2 Meet and Confer. A Party that elects to initiate a challenge to a Designating  
14 Party’s confidentiality designation must do so in good faith and must begin the  
15 process by conferring with counsel for the Designating Party in writing. In  
16 conferring, the challenging Party must explain the basis for its belief that the  
17 confidentiality designation was not proper and must give the Designating Party an  
18 opportunity to review the designated material, to reconsider the circumstances,  
19 and, if no change in designation is offered, to explain the basis for the chosen  
20 designation. A challenging Party may proceed to the next stage of the challenge  
21 process only if it has engaged in this meet-and-confer process first.

22 6.3 Court Intervention. A Party that elects to press a challenge to a  
23 confidentiality designation after considering the justification offered by the  
24 Designating Party may file and serve a motion that identifies the challenged  
25 material and sets forth in detail the basis for the challenge. Each such motion must  
26 be accompanied by a competent declaration that affirms that the movant has  
27 complied with the meet-and-confer requirements imposed in the preceding  
28 paragraph and that sets forth with specificity the justification for the confidentiality



1 designation that was given by the Designating Party in the meet-and-confer  
2 dialogue. The parties agree that a confidentiality designation shall not create a  
3 presumption in favor of such confidentiality designation, and that the Court shall  
4 decide the issue as such.

5 Until the Court rules on the challenge, all parties shall continue to afford the  
6 material in question the level of protection to which it is entitled under the  
7 Producing Party's designation.

## 8 9 7. ACCESS TO AND USE OF PROTECTED MATERIAL

10 7.1 Basic Principles. A Receiving Party may use Protected Material that is  
11 disclosed or produced by another Party or by a non-party in connection with this  
12 case only for prosecuting, defending, or attempting to settle this litigation. Such  
13 Protected Material may be disclosed only to the categories of persons and under  
14 the conditions described in this Order. When the litigation has been terminated, a  
15 Receiving Party must comply with the provisions of section 11, below (FINAL  
16 DISPOSITION).

17 Protected Material must be stored and maintained by a Receiving Party at a  
18 location and in a secure manner that ensures that access is limited to the persons  
19 authorized under this Order.

20 7.2 Disclosure of "CONFIDENTIAL" Information or Items. Unless otherwise  
21 ordered by the Court or permitted in writing by the Designating Party, a Receiving  
22 Party may disclose any information or item designated  
23 "CONFIDENTIAL" only to:

24 (a) the Receiving Party's outside counsel, as well as employees of said outside  
25 counsel to whom it is reasonably necessary to disclose the information for this  
26 litigation;

27 (b) Board members, officers and directors of the Receiving Party;  
28



1 (c) Other employees of the Receiving Party to whom disclosure is reasonably  
2 necessary for this litigation and who are bound by internal confidentiality  
3 obligations as part of their employment or who have signed the “Acknowledgment  
4 and Agreement to Be Bound” (Exhibit A);

5 (d) Experts (as defined in this Order) of the Receiving Party to whom disclosure  
6 is reasonably necessary for this litigation and who have signed the  
7 “Acknowledgment and Agreement to Be Bound” (Exhibit A);

8 (e) the Court personnel assigned to this litigation;

9 (f) court reporters, their staffs, and professional vendors to whom disclosure is  
10 reasonably necessary for this litigation and who have signed the “Acknowledgment  
11 and Agreement to Be Bound” (Exhibit A);

12 (g) during their depositions, witnesses in the action to whom disclosure is  
13 reasonably necessary and who have signed the “Acknowledgment and Agreement  
14 to Be Bound” (Exhibit A). Pages of transcribed deposition testimony or exhibits to  
15 depositions that reveal Protected Material must be separately bound by the court  
16 reporter and may not be disclosed to anyone except as permitted under this  
17 Stipulated Protective Order; and

18 (h) the author and recipients of the document or the original source of the  
19 information.

20 7.3 Disclosure of “ATTORNEYS’ EYES ONLY” Information or Items. Unless  
21 otherwise ordered by the Court or permitted in writing by the Designating Party, a  
22 Receiving Party may disclose any information or item designated “ATTORNEYS’  
23 EYES ONLY” only to:

24 (a) the Receiving Party’s outside counsel, as well as employees of said outside  
25 counsel to whom it is reasonably necessary to disclose the information for this  
26 litigation;

(b) Experts (as defined in this Order) of the Receiving Party to whom disclosure is reasonably necessary for this litigation and who have signed the “Acknowledgment and Agreement to Be Bound” (Exhibit A);

(c) the Court personnel assigned to this litigation;

(d) court reporters, their staffs, and professional vendors to whom disclosure is reasonably necessary for this litigation and who have signed the “Acknowledgment and Agreement to Be Bound” (Exhibit A); and

(e) the author and recipients of the document or the original source of the information.

7.4 Nothing in this Order shall be read to prohibit the use of otherwise Protected Material to prosecute claims against additional potential defendants identified in said materials.

#### 8. PROTECTED MATERIAL SUBPOENAED OR ORDERED PRODUCED IN OTHER LITIGATION

If a Receiving Party is served with a subpoena or an order issued in other litigation that would compel disclosure of any Discovery Material, the Receiving Party must so notify the Designating Party, in writing immediately and in no event more than five business days after receiving the subpoena or order. Such notification must include a copy of the subpoena or court order. The Receiving Party also must immediately inform in writing the Party who caused the subpoena or order to issue in the other litigation that some or all of the material covered by the subpoena or order is the subject of this Protective Order. In addition, the Receiving Party must deliver a copy of this Stipulated Protective Order promptly to the Party in the other action that caused the subpoena or order to issue.

The purpose of imposing these duties is to alert the interested parties to the existence of this Protective Order and to afford the Designating Party in this case an opportunity to try to protect its confidentiality interests in the court from which

1 the subpoena or order issued. The Designating Party shall bear the burdens and the  
2 expenses of seeking protection in that court of its confidential material – and  
3 nothing in these provisions should be construed as authorizing or encouraging a  
4 Receiving Party in this action to disobey a lawful directive from another court.

5  
6 **9. UNAUTHORIZED DISCLOSURE OF PROTECTED MATERIAL**

7 If a Receiving Party learns that, by inadvertence or otherwise, it has disclosed  
8 Protected Material to any person or in any circumstance not authorized under this  
9 Stipulated Protective Order, the Receiving Party must immediately (a) notify in  
10 writing the Designating Party of the unauthorized disclosures, (b) use its best  
11 efforts to retrieve all copies of the Protected Material, (c) inform the person or  
12 persons to whom unauthorized disclosures were made of all the terms of this  
13 Order, and (d) request such person or persons to execute the “Acknowledgment  
14 and Agreement to Be Bound” that is attached hereto as Exhibit A.

15  
16 **10. FILING PROTECTED MATERIAL**

17 Without written permission from the Designating Party, or a court order secured  
18 after appropriate notice to all interested persons and after following the procedures  
19 provided for in Local Rule 79-5.1, a Party may not file in the public record in this  
20 action any Protected Material.

21  
22 **11. FINAL DISPOSITION**

23 Unless otherwise ordered or agreed to in writing by the Producing Party, within 60  
24 days after the final termination of this action, each Receiving Party must either  
25 return all Protected Material to the Producing Party or certify the destruction of  
26 said material. As used in this subdivision, “all Protected Material” includes all  
27 copies, abstracts, compilations, summaries or any other form of reproducing or  
28 capturing any of the Protected Material. Whether the Protected Material is returned

1 or destroyed, the Receiving Party must submit a written certification to the  
 2 Producing Party (and, if not the same person or entity, to the Designating Party) by  
 3 the 60-day deadline that identifies (by category, where appropriate) all the  
 4 Protected Material that was returned or destroyed and that affirms that the  
 5 Receiving Party has not retained any copies, abstracts, compilations, summaries or  
 6 other forms of reproducing or capturing any of the Protected Material.  
 7 Notwithstanding this provision, counsel are entitled to retain an archival copy of all  
 8 pleadings, motion papers, transcripts, legal memoranda, correspondence or  
 9 attorney work product, even if such materials contain Protected Material. Any such  
 10 archival copies that contain or constitute Protected Material remain subject to this  
 11 Protective Order as set forth in Section 4 (DURATION), above.

## 12 12. MISCELLANEOUS

14 12.1 Right to Further Relief. Nothing in this Order abridges the right of any  
 15 person to seek its modification in the future.

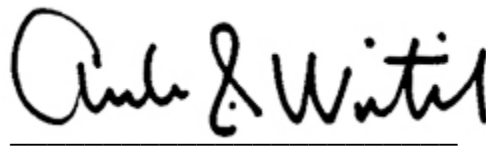
16 12.2 Right to Assert Other Objections. By stipulating to the entry of this  
 17 Protective Order no Party waives any right it otherwise would have to object to  
 18 disclosing or producing any information or item on any ground not addressed in  
 19 this Stipulated Protective Order. Similarly, no Party waives any right to object on  
 20 any ground to use in evidence of any of the material covered by this Protective  
 21 Order.

22 12.3 Inadvertent Production of Privileged Documents. If a Party, through  
 23 inadvertence, produces any document or information that it believes is immune  
 24 from discovery pursuant to an attorney-client privilege, the work product privilege,  
 25 or any other privilege, such production shall not be deemed a waiver of any  
 26 privilege, and the Producing Party may give written notice to the Receiving Party  
 27 that the document or information produced is deemed privileged and that return of  
 28 the document or information is requested. Upon receipt of such notice, the

1 Receiving Party shall immediately gather the original and all copies of the  
2 document or information of which the Receiving Party is aware, in addition to any  
3 abstracts, summaries, or descriptions thereof, and shall immediately return the  
4 original and all such copies to the Producing Party. Nothing stated herein shall  
5 preclude a Party from challenging an assertion by the other Party of privilege or  
6 confidentiality.

7 IT IS SO ORDERED.

8  
9 Dated: April 22, 2016

A handwritten signature in black ink, reading "Andrew J. Wistrich", written over a horizontal line.

10 HON. ANDREW J. WISTRICH

11 UNITED STATES MAGISTRATE JUDGE  
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## EXHIBIT A

## ACKNOWLEDGMENT AND AGREEMENT TO BE BOUND

I, \_\_\_\_\_ [print full name], of  
 \_\_\_\_\_ [print full address],  
 declare under penalty of perjury that I have read in its entirety and understand the  
 Stipulated Protective Order that was issued by the United States District Court for  
 the Central District of California in the case of Matrix International Textile, Inc. v.  
 Monopoly Textile, Inc., et al., USDC Case No. 16-CV-00084-FMO-AJWx, I  
 agree to comply with and to be bound by all of the terms of this Stipulated  
 Protective Order and I understand and acknowledge that failure to so comply could  
 expose me to sanctions and punishment in the nature of contempt. I solemnly  
 promise that I will not disclose in any manner any information or item that is  
 subject to this Stipulated Protective Order to any person or entity except in strict  
 compliance with the provisions of this Order.

I further agree to submit to the jurisdiction of the United States District Court for  
 the Central District of California for the purpose of enforcing the terms of this  
 Stipulated Protective Order, even if such enforcement proceedings occur after  
 termination of this action.

I hereby appoint \_\_\_\_\_ [print full name] of  
 \_\_\_\_\_ [print full address  
 and telephone number] as my California agent for service of process in connection  
 with this action or any proceedings related to enforcement of this Stipulated  
 Protective Order.

Date: \_\_\_\_\_

City and State where sworn and signed: \_\_\_\_\_

Printed name: \_\_\_\_\_

Signature: \_\_\_\_\_

